



1 zone designated under this Section, DCCA shall further  
2 specify all of the following:

3 (1) The boundaries of the rural technology  
4 development zone.

5 (2) The potential for increasing Internet access  
6 within the rural technology development zone.

7 (3) The specific technology infrastructure required  
8 to provide adequate Internet access within the zone and  
9 any unique needs or characteristics of the zone.

10 (4) The specific investments in technology  
11 infrastructure that will qualify for income tax credits  
12 in the zone under Section 213 of the Illinois Income Tax  
13 Act.

14 (5) Any other information DCCA deems pertinent.

15 Section 10. Report to the General Assembly. DCCA shall  
16 submit a report to the General Assembly on or before  
17 September 1, 2005 outlining the progress, if any, in  
18 improving Internet access within rural technology development  
19 zones. The report shall include, but is not limited to, the  
20 following information:

21 (1) An analysis of the changes made in technology  
22 infrastructure in the rural technology development zones  
23 to improve Internet access and the effects of those  
24 changes.

25 (2) Any available statistics concerning the amount  
26 of investments made in rural technology development  
27 zones.

28 Section 15. Rules. DCCA shall adopt any rules necessary  
29 for the administration of this Act.

30 Section 90. The Illinois Income Tax Act is amended by  
31 adding Section 213 as follows:

1 (35 ILCS 5/213 new)

2 Sec. 213. Rural technology development zone tax credit.

3 (a) For taxable years beginning on or after January 1,  
4 2004 and before January 1, 2010, each taxpayer is entitled to  
5 a credit against the tax imposed by subsections (a) and (b)  
6 of Section 201 in an amount equal to 10% of the amount of the  
7 total investment made during the taxable year by the taxpayer  
8 in technology infrastructure required to provide Internet  
9 access in rural technology development zones. This credit may  
10 be claimed only for specific capital investments in  
11 technology infrastructure that will qualify for income tax  
12 credits in the development zone as specified by the  
13 Department of Commerce and Community Affairs under item (4)  
14 of Section 5 of the Rural Technology Development Zone Act.  
15 The credit claimed by a taxpayer under this Section shall not  
16 exceed \$100,000 in any one taxable year.

17 (b) If the credit allowed under this Section exceeds the  
18 income taxes otherwise due on the claimant's income, the  
19 amount of the credit not used as an offset against income  
20 taxes may be carried forward as a tax credit against  
21 subsequent years' income tax liability for a period not to  
22 exceed 10 years and shall be applied first to the earliest  
23 years possible.

24 (c) The credit awarded under this Section is limited as  
25 follows:

26 (1) The credit claimed shall not exceed \$100,000  
27 per year. Qualified investments in excess of \$1,000,000  
28 in any tax year cannot earn a credit and cannot be  
29 carried forward.

30 (2) A partnership, S corporation, or other similar  
31 pass-through entity or a disregarded entity may pass  
32 through up to \$100,000 in total credit to its partners,  
33 shareholders, or members. Each partner, shareholder, or  
34 member's portion of the credit is determined according to

1       the ratio in which profits or losses of the entity are  
2       allocated.

3       Section 99.   Effective date. This Act takes effect upon  
4       becoming law."